

2013 Legislative Update



Janelle Mickelson,
Administrator
OPI School Finance Division
OPI Summer Workshops
July 2013

2013 Legislative Update

Agenda

- I. SB 175 Generally revise public education funding
- II. SB 291 Revise school laws related to multiple district cooperatives
- III. HB 39 Revise school finance laws to correct implementation problems
- IV. SB 199 Revise laws related to technology acquisition and depreciation funding
- V. SB 348 Providing for an act for Montana school safety
- VI. HB 377 Increase contributions and funding for TRS, revise GABA
- VII. SB 96 Lower the business and equipment tax
- VIII. SB 32 Allow excess cash in student extracurricular funds to be invested
- IX. SB 77 Revise public contract competitive bidding law-no bid required up to \$80K
- X. HB 226 Exempt computer professionals from overtime pay
- XI. HB 120 Generally revise election laws
- XII. HB 457 Providing for school district recount boards for school elections
- XIII. SJ 14 Resolution requesting an interim study of local government election procedures
- XIV. HB 15 School facility grant program
- XV. HB 155 Revise school bus safety laws

Rule # SB175: The Playing Field

K-12 Data Task Force And Transparency Reporting

K-12 Data Task Force

- Established by the OPI
- 27 Member Board
- Serves in an advisory capacity to the OPI
- Reviews, monitors, and provides input and guidance in enhancing the statewide K-12 data system

Transparency Reporting

- Data entry and intuitive reporting options
 - Data linkages
 - Automated conversion of data from local systems
- Allows districts to collect, manage, and present local classroom assessment scores, grades, attendance and other data to assist in instructional intervention.

Effective May 6, 2013

Rule #SB175: Legal Pitches

Data For Achievement Payment (D4A)

- **New general fund component**
 - FY 2014 = \$10 per budgeted ANB
 - FY 2015 = \$15 per budgeted ANB
 - FY 2016 and subsequent years = \$20 per budgeted ANB
- **Must be used to pay for access fees or other costs associated with use of or participation in the state wide data system.**

NEW

Revenue Code 3116

NEW

Program Code 316

Rule #SB175: Extra Innings

Basic Entitlement Increases & Increments



School Size	Basic Entitlement	
	2014 & 2015	Subsequent
Elementary < 250	\$ 40,000	\$ 50,000
Middle School < 450	\$ 80,000	\$100,000
High School < 800	\$290,000	\$300,000

Rule #SB175: Extra Innings (Cont.)

Basic Entitlement Increases & Increments



School Size	Basic Increment	FY 2014 & 2015	Subsequent
Elementary > 250	Every 25 ANB over 250	\$2,000	\$2,500
Middle School > 450	Every 45 ANB over 450	\$4,000	\$5,000
High School > 800	Every 80 ANB over 800	\$12,000	\$15,000

Rule #SB175: Awarded Bases

Inflationary Increases



Per Student Entitlement Inflationary Increases	FY 2014	FY 2015
	(.89%)	(2.08%)
Elementary (unaccredited middle school)	\$5,120	\$5,226
Accredited Middle School	\$6,555	\$6,691
High School	\$6,555	\$6,691

Rule #SB175: Awarded Bases (Cont.)

Inflationary Increases



Beginning in FY 2016, inflationary increases for:

- **Basic Entitlement**
- **Per ANB Entitlement**
- **Data-For-Achievement Payment**
- **Quality Educator Payment**
- **At-Risk Student Payment**
- **Indian Education For All Payment**
- **American Indian Achievement Gap Payment**




Rule #SB175: Strike Zone

Highest Budget Allowed

Current Year Maximum Budget

-or-

Prior Year Adopted Budget Plus Increases In:

- **DSA associated with the Basic Entitlement** 
- **DSA associated with the Per ANB Entitlement** 
- **Data-For-Achievement Payment** 
- Quality Educator Payment
- At-Risk Student Payment
- Indian Education For All Payment
- American Indian Achievement Gap Payment

Effective May 6, 2013

Rule #SB175: Stolen Base

Flexible Nonvoted Levy Authority



May increase the over-BASE budget levy without a vote if nonvoted property tax levies are reduced by at least as much in other budgeted funds.

The ongoing authority for any nonvoted increase in the over-BASE budget levy imposed must be decreased in future years to the extent that nonvoted property taxes increase.

Effective May 6, 2013

Flexible Nonvoted Levy Authority

The screenshot displays the OPI MAEFAIRS web application interface. At the top left is the OPI MAEFAIRS logo, and at the top right is a link to [OPI Home](#). Below the logo is a horizontal navigation bar with the following items: Home, Data Entry, Reports, Views, Administration, User Maintenance, Documentation, Instructions, and Logout. A red arrow points to the 'Data Entry' menu item. A dropdown menu is open under 'Data Entry', listing various reporting and administrative functions. The 'Budget' option at the bottom of this list is circled in red. To the right of the 'Budget' option, a second dropdown menu is visible, listing steps for the budgeting process. 'Step 8: Budget' in this second menu is also circled in red. The background of the application features a large green rectangle and a blue gradient.

OPI MAEFAIRS

[OPI Home](#)

Home Data Entry Reports Views Administration User Maintenance Documentation Instructions Logout

- ARRA Quarterly Reporting
- ARRA SFSF Monitoring Survey
- Assessor
- CSCCT Match
- Compensation Expenditures
- DOR Taxable Value
- Student Count For ANB
- Entitlements
- Indirect Cost Rates
- Sinking Fund
- State Paid Tuition
- Trustee Financial Summary (TFS)
- Budget**

For general MAEFAIRS questions, contact D

- Step 1: Taxable Valuation
- Step 2: Taxing Jurisdiction (Debt Service Only)
- Step 3: Bus Depreciation (Buses/Radios)
- Step 4: Building Reserve (Elections)
- Step 5: Debt Service (SIDs)
- Step 6: Debt Service (Bonds)
- Step 7: Technology Election Levy
- Step 8: Budget**
- Step 9: Validation
- Step 10: Submit To OPI
- Set Up A Taxing Jurisdiction
- Set Up A Bus/Radio Asset
- Set Up A Building Reserve
- Set Up A Technology Election
- Bonds
- Mills
- Budget Amendments/Transfers

Flexible Nonvoted Levy Authority

Budget

Fiscal Year: LE: Fund Code:

[Budget Limits](#)

[Reserves](#)

[Revenues](#)

[Flexible Non-Voted Levy Authority](#)

[Summary](#)

[Fund Instructions](#)

[Print Budget Report](#)

[Print Validation Report](#)

Fund Balance: 0.00

[Add A New Budget Record](#)

There are no budget records entered for the selected LE.

If you adopted the highest voted amount the adopted budget must be between 11,256,616.96 and 14,074,199.40.
You will not be able to submit if the adopted budget is not in this range.

% Special Education in Maximum Budget:	100.00%
BASE Budget (Minimum Budget Amount Required):	11,256,616.96
Maximum Budget:	14,074,199.40
Highest Budget Without a Vote:	13,970,113.18
Highest Budget:	14,074,199.40
Highest Voted Amount Excluding Tuition, Excess Reserves, And Other Over-BASE Revenues:	104,086.22
Tuition, Excess Reserves Funding Over-BASE, Other Over-BASE Revenues, and Flexible Non-Voted Levy Authority:	0.00
Adjusted Highest Voted Amount (Highest Budget With A Vote minus Highest Budget Without A Vote adjusted for Over-BASE Revenues) :	104,086.22
Amount Approved on Ballot by Voters:	0.00
Adopted Budget:	0.00

If you have any questions about the budget, contact Dennis Clague at (406) 444-1960 or dclague@mt.gov.

Flexible Nonvoted Levy Authority

Budget

Fiscal Year: LE: Fund Code:

[Budget Limits](#)

[Reserves](#)

[Revenues](#)

[Flexible Non-Voted Levy Authority](#)

[Summary](#)

[Fund Instructions](#)

[Print Budget Report](#)

[Print Validation Report](#)

Fund Balance: 0.00

	Transportation	Bus Depreciation	Tuition	Adult Education:	
Beginning Transfer Balance	0.00	0.00	0.00	0.00	
FY2014 Transferred Amount:	<input type="text" value="0.00"/>	<input type="text" value="0.00"/>	<input type="text" value="0.00"/>	<input type="text" value="0.00"/>	<input type="button" value="Save"/>
Ending Transfer Balance:	0.00	0.00	0.00	0.00	
Beginning Levy Authority:	265,768.21	40,543.30	6,500.00	170,462.77	
Ending Levy Authority Balance:	265,768.21	40,543.30	6,500.00	170,462.77	

FY2014 Flexible Non-Voted Levy Authority: 0.00

FY2014 OverBASE Needed: 0.00 **Flexible Non-Voted Levy Authority cannot exceed the OverBASE Needed.**

FY2014 Flexible Non-Voted Levy Authority Mills: 0.00

If you have any questions about the budget, contact Dennis Clague at (406) 444-1960 or dclague@mt.gov.

Rule #SB175: Courtesy Runner

Oil & Gas Production Taxes Retained

School districts with a maximum general fund budget of **less than \$1.5 million** may retain up to **150%** of the Maximum General Fund budget in FY 2014-2016.

Limit remains at
130% for maximum
general fund
budgets greater
than \$1.5 million

Limit is increased for districts with an approved **anticipated** unusual enrollment increase. The increase is \$45,000 times each additional ANB approved by the OPI



Effective May 6, 2013

Rule #SB175: Base Running

Concentric Circles

(Distribution Of Oil & Gas Revenues Retained)

The DOR shall deposit any oil and gas revenue retained in the State School Oil and Natural Gas Distribution Account

New
State
Account



By the last day of the month following the quarterly distribution, the OPI will distribute the oil and gas revenues retained by the DOR

Effective May 6, 2013

Rule #SB175: Base Running (Cont.)

Concentric Circles



To the other district within the unified school system or to any district having a joint board status with the district from which the oil and gas revenue originates, **up to 130% of the maximum general fund budget** of the receiving district.



Proportionately to all districts immediately contiguous to the district from which the oil and gas revenue originates, **up to 130% of the maximum general fund budget** of the receiving district.



Proportionately to all schools that are located in whole or in part in the same county as the district from which the oil and gas revenue originates, **up to 130% of the maximum general fund budget** of the receiving district.



Proportionately to all schools that are located in whole or in part in the same county contiguous to a county where a horizontally completed well has been drilled within the last 3 years, **up to 130% of the maximum general fund budget** of the receiving district.

Rule #SB175: Base Running (Cont.)

Concentric Circles

(Distribution of Oil & Gas Revenues Retained)

Sunsets June 30, 2016



Any funds remaining after distribution must be deposited as follows:

- **70% into the guarantee account**
- **5% into the state school oil and natural gas impact account**
- **25% into the county school oil and natural gas impact account.**

Rule #SB175: Base Running (Cont.)

Distribution Of Oil & Gas Revenues Retained After June 30, 2016



- **70% into the guarantee account**
- **5% into the state school oil and natural gas impact account**
- **25% into the county school oil and natural gas impact account.**

Rule #SB175: Bunts

Budgeting Oil & Gas In The General Fund

Must budget the lesser of 25% of the total oil and gas revenue received in the prior year or the net levy requirement (was 45% for FY2014 and 55% for subsequent years)

50% of the budgeted oil and gas revenue can be applied to the over-BASE

Exceptions to the budgeting requirement:

- **Districts with a maximum general fund budget of less than \$1 million.**
- **Districts whose oil and gas revenue combined with its adopted general fund budget total 105% or less of its maximum general fund budget.**
- **Districts with a maximum general fund budget of \$1 million or more and have an approved anticipated unusual enrollment increase.**
- **Districts that have issued outstanding oil and gas revenue bonds (oil and gas revenue must be applied toward debt service payment first).**



Effective May 6, 2013

Rule #SB175: Triple Play Additional Enrollment Collection

1ST MONDAY IN DECEMBER



$ANB = ((\text{Oct Count} + \text{Dec Count} + \text{Feb Count})/3) \times (187/180)$

Effective May 6, 2013

Rule #SB175: Substitutions

Proficient Pupils Counted For ANB



Pupils who are enrolled in a program providing ***fewer*** than the required aggregate hours may be included in the calculation for ANB ***if*** the pupil has ***demonstrated proficiency*** in the content ordinarily covered by the instruction ***as determined by the school board using district assessments.***

The ANB must be converted to an hourly equivalent based on the hours of instruction ordinarily provided.

Effective May 6, 2013

Rule #SB175: Foul Ball

Decrease In The Anticipated Unusual Enrollment Increase Threshold

Lesser of:

**40
Students**

OR

**> 4%
Increase in
Enrollment**



Effective May 6, 2013

Rule #SB175: Postponed Games

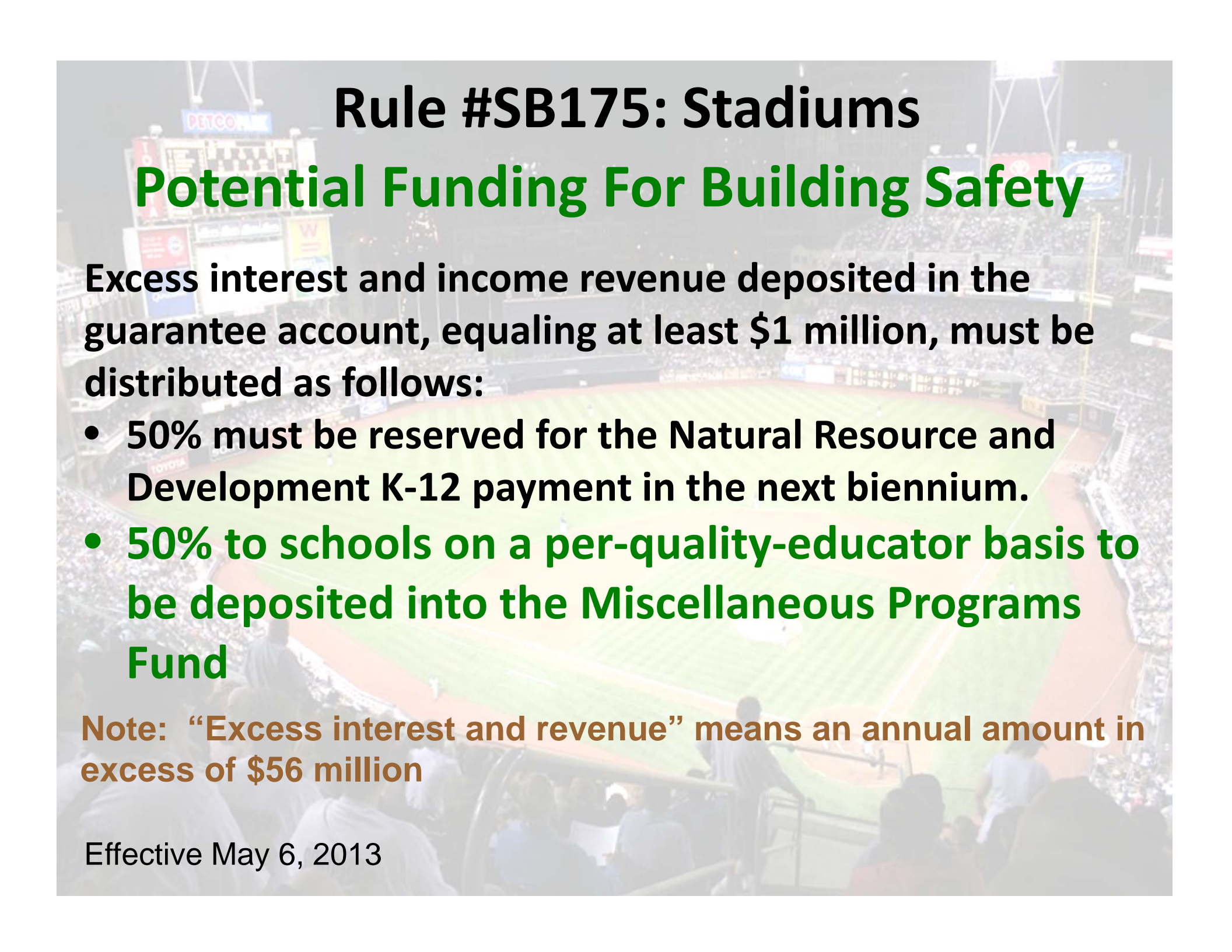
Ending Fund Balance Limits

The combined ending fund balance for all budgeted funds may not exceed 300% of the maximum general fund budget



The balance of the flexibility fund may not exceed 150% of the maximum general fund budget.

Effective date extended to 2020



Rule #SB175: Stadiums

Potential Funding For Building Safety

Excess interest and income revenue deposited in the guarantee account, equaling at least \$1 million, must be distributed as follows:

- 50% must be reserved for the Natural Resource and Development K-12 payment in the next biennium.**
- 50% to schools on a per-quality-educator basis to be deposited into the Miscellaneous Programs Fund**

Note: “Excess interest and revenue” means an annual amount in excess of \$56 million

Effective May 6, 2013



Rule #SB175: Stadiums (Cont.)

Potential Funding For Building Safety

Funds deposited in the Miscellaneous Programs Fund must be used in the following order:

- 1. To address any repairs categorized as “safety”, “damage/wear out”, or “codes and standards” in the facilities condition inventory for buildings of the school district as referenced in the facility assessment report.**
- 2. If repairs referenced above have been completed, to any other purpose authorized by 20-9-543 (Flexibility Fund)**

Effective May 6, 2013



Rule #SB175: Fielder's Choice

New Oil And Gas Revenue Bonds

Limits on bond issue:

- **Maximum amount of the bonds cannot exceed three times the average of the annual oil and gas revenue received for the last two fiscal years.**
- **At the time of issuance, the average annual payment may not exceed 35% of the total oil and gas revenue received in the prior fiscal year**

If the bonds are secured by a deficiency tax levy, the debt capacity limitations apply.

Note: Revenue bonds are **not eligible for debt service GTB**

Effective May 6, 2013

Rule #SB175: Designated Hitter Natural Resource Development (NRD) K-12 Funding Payment Beginning In Fiscal Year 2015



Payment of the *variable* percentage of the basic and per-ANB entitlements *above* the direct state aid

Reduces local property taxes

Does not increase budget authority

\$3 million in FY2015

In FY2016 and subsequent years the payment amount is tied to oil and gas production taxes received by the State.

Rule #SB175: Designated Hitter (Cont.)

NRD K-12 Funding Payment

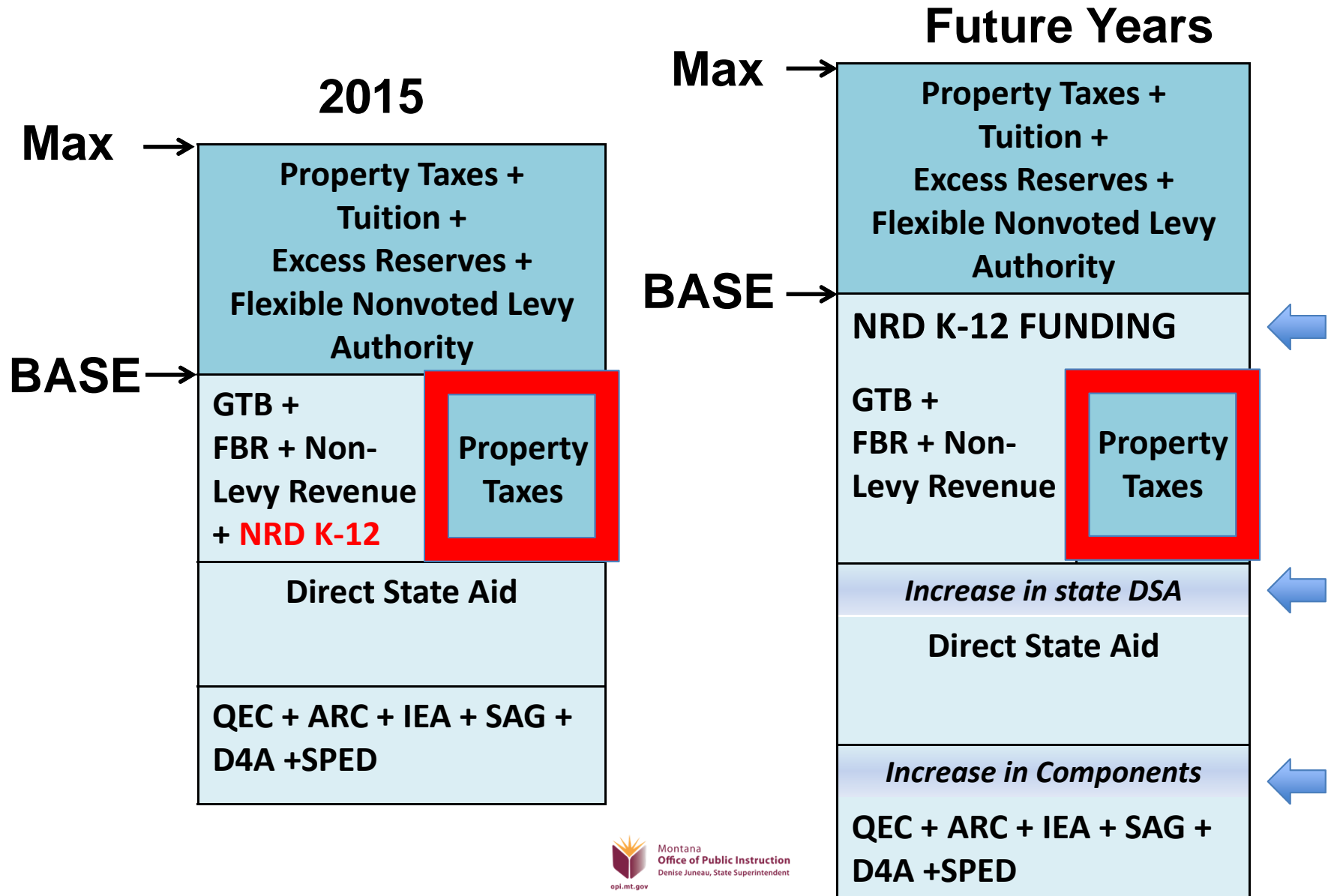
Beginning In Fiscal Year 2016



Payment is an amount sufficient to offset any estimated increase in the general fund base budget levy resulting from increases in the basic or per-ANB entitlements plus any excess interest and income revenue appropriated by the legislature.

Rule #SB 175: Designated Hitter (Cont.)

NRD K-12 Funding Payment



Rule #SB 291: Balk

Requires multidistrict agreements to include provisions for dissolution of the cooperative, including:



The conditions under which dissolution may occur.



The disposition of any remaining funds.

Rule #SB 291: Balk (Cont.)

NOTE: The effective date for SB 291 is October 1, 2013

Agreements effective for fiscal year 2014 will need to include this provision by October 1, 2013. (May need to amend agreements entered into prior to the passage of SB 291).



Rule #HB 39: Batting Order

Multidistrict Cooperative Agreements

Changes to the Agreement

Agreements must include a provision specifying terms upon which a district may exit the multidistrict cooperative.

- **Effective July 1, 2013** (May need to amend FY 2014 agreements entered into prior to passage of HB 39.

The April 1st deadline to execute agreements was eliminated.

- **Remember the effective date is July 1, 2013.** The April 1 deadline still applies until July 1, 2013. If you plan to make transfers prior to July 1, 2013, you must have entered into an agreement by April 1, 2013.

Agreements may be for a period up to three years.

Rule #HB 39: Batting Order (Cont.)

Multidistrict Cooperative Agreements

Changes to the Transfers

May transfer funds from the general fund, budgeted funds **other than the retirement fund or debt service fund**, or nonbudgeted funds other than the compensated absence liability fund.

Transfers may not be made with funds restricted by federal law unless the transfer is in compliance with any restrictions or conditions imposed by federal law.

The April 1 deadline to complete transfers was eliminated.

- **Remember the effective date is July 1, 2013.** The April 1 deadline still applies until July 1, 2013. If you did not transfer funds by April 1, 2013, you cannot spend the money until July 1, 2013.

Rule #HB 39: Forfeited Game

Excess Fund Balance Reappropriated

Eliminated allocations of excess fund balance to the state school oil and natural gas impact account and to the county school oil and natural gas impact fund.

Any unreserved fund balance in excess of 15% of the maximum general fund balance must be remitted to the state and allocated:

- 70% to the guarantee account**
- 30% to the school facility and technology account**

Clarified that any amounts remitted to the state are not considered expenditures to be applied against budget authority.

Rule #HB 39: Player Trades

Transfers Under 20-9-208, MCA

Transfers from the Retirement Fund are not allowed.

Transfers from the Debt Service Fund are not allowed except to close the fund.



Rule #HB 39: Infield Fly

State Transportation Reimbursement



State transportation reimbursement payments will be paid to county treasurers, regardless if the district has established investment accounts outside of the county.

Previously, state transportation reimbursements were being paid into investment accounts, which was in direct conflict with MCA, 20-10-145(2)

Rule #HB 39: Double Play

State School Oil and Natural Gas Impact Account

Rule #SB 175:



- Effective July 1, 2013
- Districts that receive oil and gas revenue in amount less than 20% of the district's maximum general fund budget but that are impacted by development may apply to the office of public instruction for funds.
- Effective July 1, 2016
- Districts that do not receive oil and gas revenue but that are impacted by development may apply to the office of public instruction for funds.




Rule #HB 39: Double Play

State School Oil and Natural Gas Impact Account



Rule #HB 39

School districts may apply to OPI for funds for circumstances that are directly related to impacts resulting from oil and gas development as follows:

- Unanticipated  and anticipated unusual enrollment increases
- Unusual enrollment decreases; 
- Higher rates of student mobility; 
- The need to hire new teachers or staff as a result of increased enrollment;
- Opening or reopening of an elementary or high school

Rule #HB 39: Interference



County School Oil and Natural Gas Impact Fund

Money received in fund must remain in the fund until:

the amount of oil and natural gas production taxes received by a district for the fiscal year is **50%** or less of the amount of the average received in the previous 4 fiscal years; *(was 30%)*

the average price **for a barrel of oil as reported in the Wall Street Journal for west Texas intermediate crude oil during a calendar quarter is less than \$65 a barrel**; (previously it was \$50 and there was no measurement standard)

~~the production of oil in the county drops 50% or more below the average oil production in the county during the immediately preceding 5-year period.~~

**Eliminated
Criteria**

Rule #HB 39: Interference (Cont.)

County School Oil and Natural Gas Impact Fund

Within 120 days following the end of the fiscal year,

- the OPI will determine if the criteria in #1 has been met and
- the department of Revenue will determine if the criteria in #2 has been met.

Upon notification from the OPI and DOR, the county treasurer shall allocate 80% of the money proportionately to affected school districts based on the number of quality educators.



Rule #HB 39: Base Coaches

Technology Fund Entitlement

The calculation to determine the entitlement amount for each district is based on the current year BASE budget rather than the prior year BASE budget.





Rule #SB 199: Sacrifice Fly



Technology Acquisition Fund

May levy for costs associated with the following:

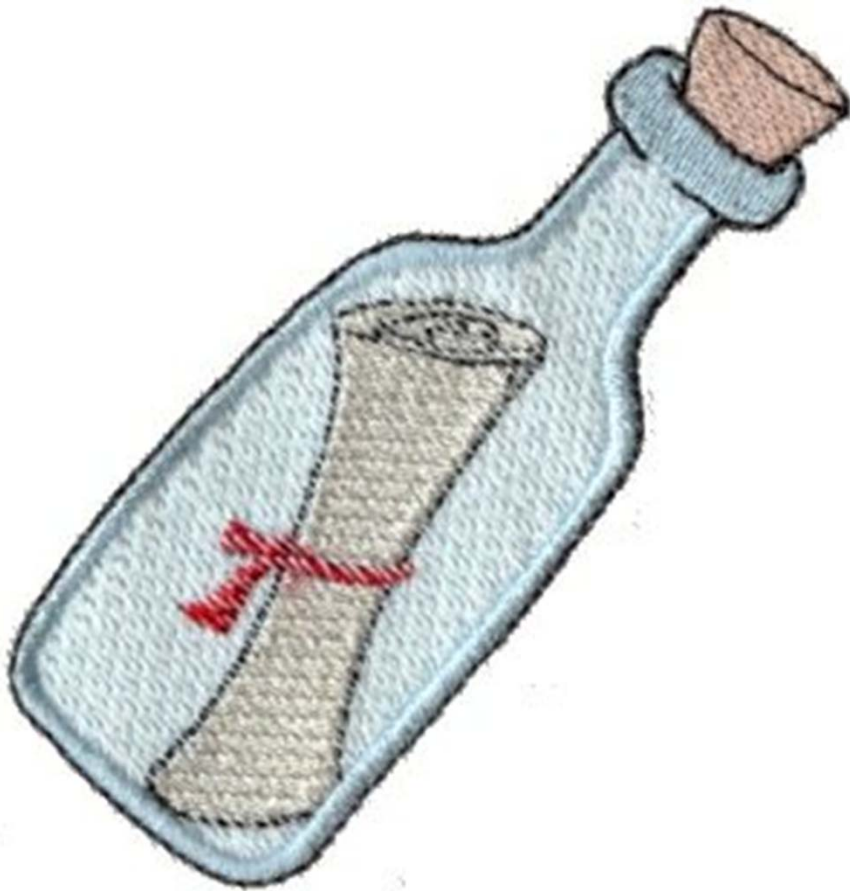
Cloud computing services
Software
Storage
Data
Test Environment
Desktop Virtualization

Platform
Network
Security
Database
Curriculum

Rule #SB 199: Sacrifice Fly

Technology Acquisition Fund

Levies approved prior to July 1, 2013



No Change:

- Levy can be permanent or durational
- Annual levy cannot exceed 20% of the original cost of equipment owned by the district.
- The amount levied over time cannot exceed 150% of the original cost of the equipment.



Rule #SB 199: Sacrifice Fly



Technology Acquisition Fund

Levies Approved After July 1, 2013

The levy can be based on the cost of equipment AND the cost of providing the technologies previously listed.

The technology levy cannot exceed 10 years.

The duration of perpetual levies authorized prior to July 1, 2013, must be revised not to exceed 10 years.

Technology Acquisition Fund



[OPI Home](#)

Home Data Entry Reports Views Administration User Maintenance Documentation Instructions Logout

- ARRA Quarterly Reporting
- ARRA SFSF Monitoring Survey
- Assessor
- CSCT Match
- Compensation Expenditures
- DOR Taxable Value
- Student Count For ANB
- Entitlements
- Indirect Cost Rates
- Sinking Fund
- State Paid Tuition
- Trustee Financial Summary (TFS)

Budget

- Step 1: Taxable Valuation
- Step 2: Taxing Jurisdiction (Debt Service Only)
- Step 3: Bus Depreciation (Buses/Radios)
- Step 4: Building Reserve (Elections)
- Step 5: Debt Service (SIDs)
- Step 6: Debt Service (Bonds)
- Step 7: Technology Election Levy
- Step 8: Budget
- Step 9: Validation
- Step 10: Submit To OPI
- Set Up A Taxing Jurisdiction
- Set Up A Bus/Radio Asset
- Set Up A Building Reserve
- Set Up A Technology Election
- Bonds
- Mills
- Budget Amendments/Transfers

For general MAEFAIRS questions, contact D

Technology Acquisition Fund



[OPI Home](#)

[Home](#) [Data Entry](#) [Reports](#) [Views](#) [Administration](#) [User Maintenance](#) [Documentation](#) [Instructions](#) [Logout](#)

Setup Technology Election

Fiscal Year: LE:

[Return To Technology Election Levy Page](#)

Election Date: Start Year: Years Authorized: Authorized Amount:

To enter a perpetual election, enter 0 for the Years Authorized and enter the annual levy amount in the Authorized Amount.

[Save](#) [Cancel](#)

There are no Technology Elections entered for this LE. Technology Elections set up in a year prior to the current year cannot be deleted and cannot be edited except by OPI.

If you have any questions about setting up a technology election, contact Dennis Clague at (406) 444-1960 or dclague@mt.gov.



Montana
Office of Public Instruction
Denise Juneau, State Superintendent

opi.mt.gov

Rule #SB 348: Fair Territory

Providing for an act for Montana School Safety



In fiscal years 2013-2015 districts may transfer state or local money from any budgeted or nonbudgeted fund, **other than the retirement fund or debt service fund** to the **building reserve fund**.

NOTE: Transfers are not considered expenditures against budget authority.



Money must be spent on:

- Planning for improvements to school safety (architects, engineers, and other consultants);
- Installing or updating locking mechanisms;
- Installing or updating bullet-resistant windows and barriers; and
- Installing or updating emergency response systems.



Any money transferred that has not been encumbered or expended by **June 30, 2015**, must be transferred back to the originating fund.



Effective April 30, 2013

Rule #SB 348: Fair Territory

Providing for an act for Montana School Safety

Account Codes

TRANSFER PORTION

Level/Fund:

Originating fund: Any fund except X14 AND X50

Destination Fund: X61

Transfer Expenditure Code Account Structure

<u>Level/Fund</u>	<u>Program</u>	<u>Function</u>	<u>Object</u>	<u>Project Reporter</u>
XXX	998	6100	911	XXX (Assigned by District)

(A unique project reporter is required for each transfer)

Transfer Revenue Code

<u>Level/Fund</u>	<u>Source</u>	<u>Project Reporter</u>
X61	5301	XXX (Same as corresponding transfer amount for each fund)

EXPENDITURE PORTION FROM FUND 61

Expenditure Account Structure

<u>Level/Fund</u>	<u>Program</u>	<u>Function</u>	<u>Object</u>	<u>Project Reporter</u>
X61	190	XXXX*	XXX	XXX (Assigned by District)

*FUNCTION CODES ALLOWED: 26xx, 27xx, and 4xxx

Rule #HB 377: Pickles

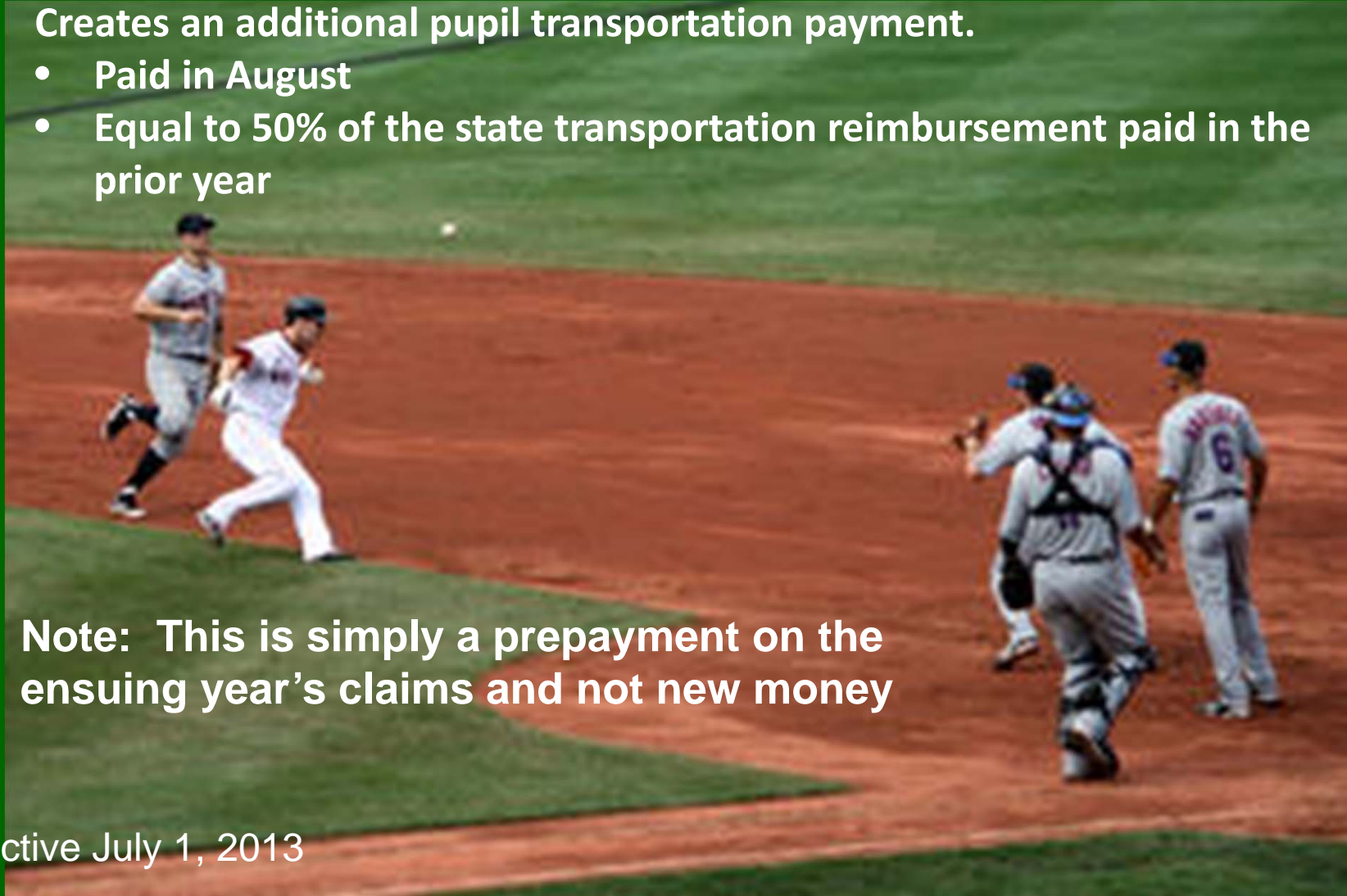
HB 377 – Increase contributions and funding for TRS, revise GABA

Creates an additional pupil transportation payment.

- Paid in August
- Equal to 50% of the state transportation reimbursement paid in the prior year

Note: This is simply a prepayment on the ensuing year's claims and not new money

Effective July 1, 2013



Rule #HB 377: Pickles (Cont.)

Reduces the retirement fund operating reserve from 35% to 20% of the final retirement fund budget.



Rule #HB 377: Pickles (Cont.)

Excess retirement fund operating reserves must be paid to TRS on October 1, 2013. Calculated as:

The greater of:

or

FY2013
Retirement
Fund Operating
Reserve minus
20% of the
FY2013
Retirement
Fund Adopted
Budget;



- FY2013
Retirement
Fund Balance
as of June 30,
2013 minus
20% of the
FY2014
Retirement
Fund Adopted
Budget.

Rule #HB 377: Pickles (Cont.)

Example Calculation

Assume Retirement Fund:

FY13 Adopted Budget = \$94,000

FY13 Operating Reserves = \$32,900

FY14 Adopted Budget = \$125,000

FY14 Fund Balance = \$35,000



Step #1:

20% of FY13 Adopted Budget = \$18,800

FY13 Operating Reserves (\$32,900) minus \$18,800 = **\$14,100**

Step #2:

20% of FY14 Adopted Budget = \$25,000

FY13 Fund Balance (\$35,000) minus \$25,000 = **\$10,000**

Step #3:

Pay TRS the greater of amount calculated in step #1 or step #2

Expenditure Code: X14.1XX.1XXX.810

Note: This payment will go against budget authority. Be sure and budget for it!

Rule #SB 96: Force Plays

Lower the business and equipment tax

School districts, the county retirement fund, and the county transportation fund will be reimbursed for the loss in property tax revenue.

Reimbursements will be made by November 30, 2014 to compensate for the reduction in property tax collections (from personal property that are not a lien on real property) that occurs in FY 2014.

Revenue Code 3446 in General Fund and Transportation Fund
Revenue Code 3447 for combined block grant

In FY 2015, the reimbursements will be made with school block grants pursuant to 20-9-630, MCA.

Effective May 6, 2013

Rule #SB 32: Dugouts

Excess Cash in Student Extracurricular Funds



Clarified that only trustees of a district may establish a school extracurricular fund.

Allows for excess money in a school extracurricular fund to be invested.

Any interest earned may either be credited to:

- a general operating account within the extracurricular fund to be used to offset expenses incurred in administering the fund, or
- distributed to the fund from which the money was withdrawn for investment.

Rule #SB 77: Pitching Mound

Bidding Requirements

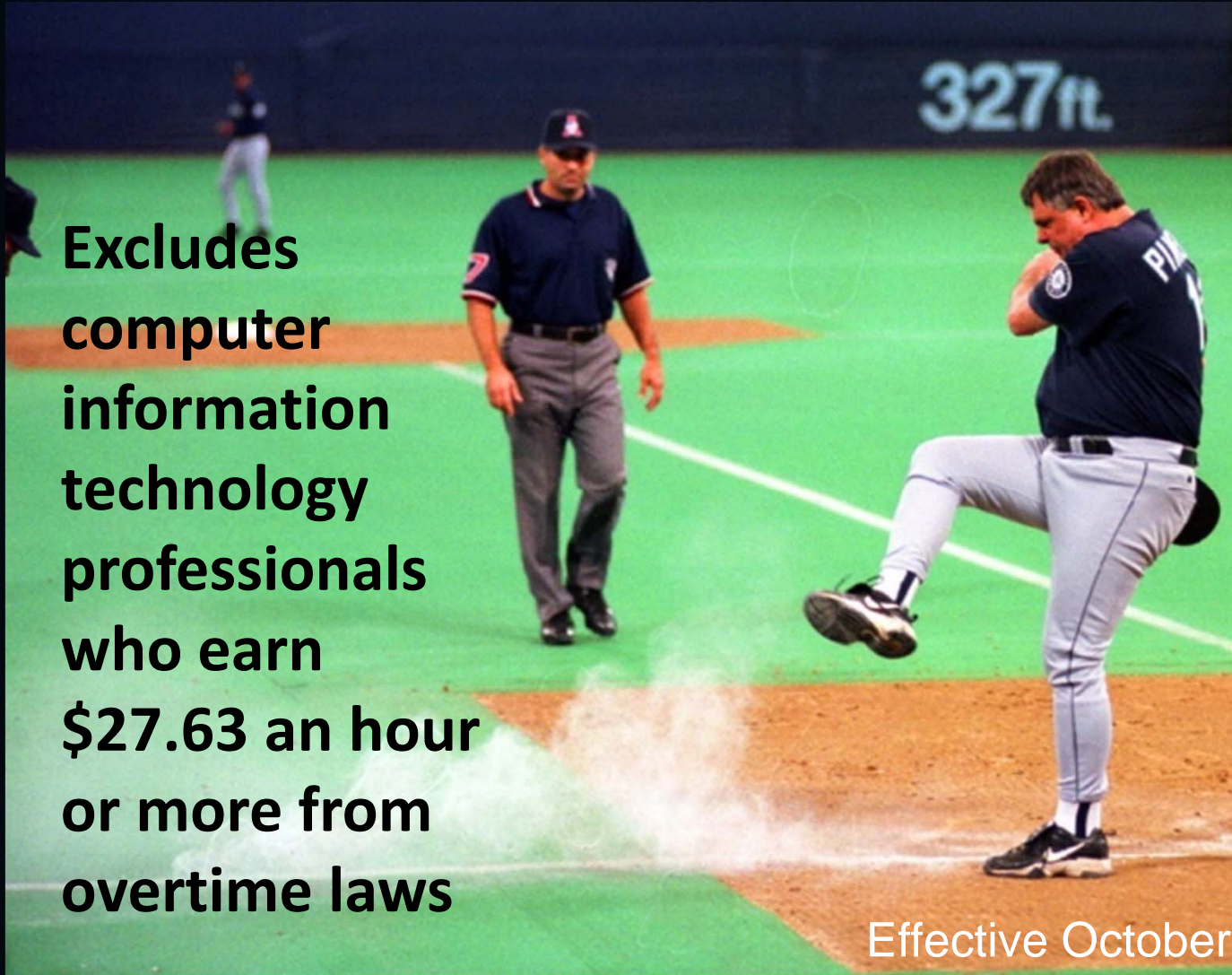
Raised the
threshold
from \$50,000
to \$80,000



Rule #HB 226: Managers

Computer Professionals

**Excludes
computer
information
technology
professionals
who earn
\$27.63 an hour
or more from
overtime laws**



Effective October 1, 2013

Umpires

Elections

HB 120



Allows late registration for school elections when held in conjunction with another election that allows late registration. (effective January 1, 2014)

HB 457



Provides for a 3-member school election recount board when a school election requires a recount. Details the membership of the board and includes related definitions. (effective April 30, 2013)

SJ 14



Requests an interim legislative study of local government and school district election laws and procedures to identify opportunities to combine elections.

Rule #HB 15: Wild Pitch

School Facility Grant Program

Distributed by Department of Commerce to schools for:

- Public school facilities projects under the Quality Schools Facility Grant Program (30 projects specifically listed in the bill)**
- Emergency school facility projects defined by 90-6-803, MCA**
- Matching grants to public school districts for planning facilities projects defined in 90-6-803, MCA**

<http://commerce.mt.gov/qualityschools/default.mcpix>

Effective July 1, 2013



Rule #HB 155: Dead Ball

School Bus Safety

Increased the distance requirement in which a motor vehicle must stop before reaching a school bus when red bus lights are flashing from 15 feet to 30 feet from a stopped school bus.



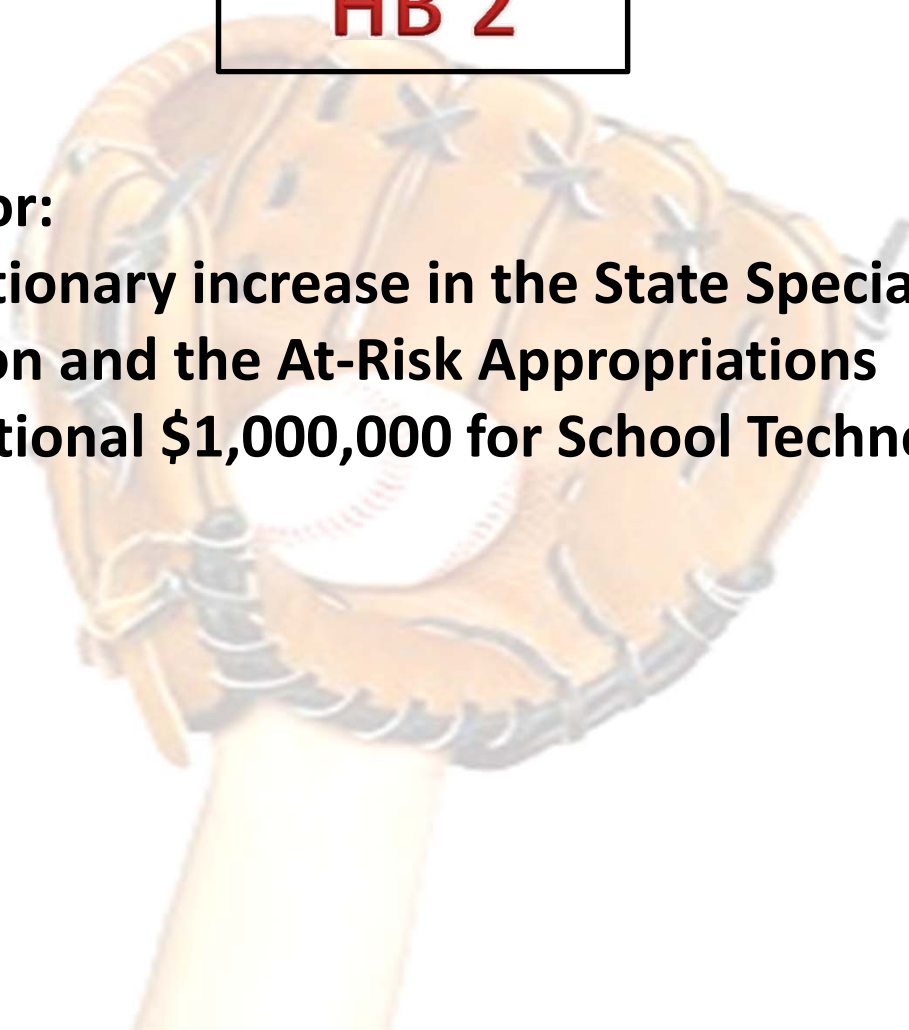
Effective October 1, 2013

2013 Legislative Update

HB 2

Provided for:

- **An inflationary increase in the State Special Education and the At-Risk Appropriations**
- **An Additional \$1,000,000 for School Technology**



Questions?

